

STATE OF CALIFORNIA
CALIFORNIA ENERGY COMMISSION

Business Meeting Minutes

of

August 20, 2003

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The meeting was called to order by Chairman Keese at 10:05 a.m.

The Pledge of Allegiance was led by Commissioner Boyd.

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| William J. Keese | Present |
| Robert Pernell | Present |
| Arthur Rosenfeld | Absent |
| James D. Boyd | Present |
| John L. Geesman | Present |
| Margaret Kim, Ex-Officio | Absent |

1. CONSENT CALENDAR. (Items on the Consent Calendar will be taken up and voted on as a group. A Commissioner may request that an item be discussed and moved to later on the agenda)
 - a. CALIFORNIA CONSERVATION CORPS. Possible approval of Contract 200-03-005 for \$23,328 to provide support services for the Resources Agency.
 - b. FPL ENERGY, LLC WIND RIDGE PROJECT. Possible approval of a correction to the funding award extension end date, from December 31, 2008 to July 2, 2008, for FPL's 30 megawatt Wind Ridge Project in Kern County.
 - c. OTAY MESA GENERATING COMPANY, LLC. Possible approval of a request from Calpine Corporation to revise the Condition of Certification NOISE 6 for the Otay Mesa Generating Project (99-AFC-5C) to reflect an increase in the ambient noise level.
 - d. XENERGY, INC. Possible approval of Contract 400-00-062, Amendment 2, a six-month, no-cost time extension to give the contractor additional time to provide technical assistance to customers interested in signing up for the critical peak pricing rate recently adopted by the CPUC. Delays in the new tariff have moved its start date from June 1, 2003 to August 30, 2003.

Commissioner Geesman moved and Commissioner Pernell seconded approval of all consent items. The vote was unanimous. (4-0)

2. RENEWABLE ENERGY PROGRAM. Possible approval of the following funding award agreements under the New Renewable Resources Account:
 - a. NEO Corporation Colton Landfill Gas Project, 2.5 MW, conditional funding award \$300,809.09, on-line date 4-18-03;
 - b. NEO Corporation Mid-Valley Landfill Gas Project, 3.8 MW, conditional funding award \$601,618.19, on-line date 4-18-03;
 - c. NEO Corporation Milliken Landfill Gas Project, 5.0 MW, conditional funding award \$601,618.19, on-line date 7-18-03.

This item has been postponed to a later Business Meeting date.

3. GULF COAST TO CALIFORNIA PIPELINE FEASIBILITY STUDY. Possible adoption of the Committee Report *Gulf Coast to California Pipeline Feasibility Study* as required by Assembly Bill 2098 (Migden, Chapter 963, Statutes of 2000). Report is available on-line at [www.energy.ca.gov/reports].

*Commissioner Boyd moved and Commissioner Geesman seconded approval of the Committee Report **Gulf Coast to California Pipeline Feasibility Study**. The vote was unanimous. (4-0)*

4. XENERGY, INC. Possible approval of an amendment to Contract 300-00-004 to provide a no-cost time extension, which extends the Residential Appliance Saturation Survey contract from February 15, 2004 to June 30, 2004, and to change the retention factor from 25% to 10%.

Commissioner Pernell moved and Commissioner Geesman seconded approval of the amendment to Contract 300-00-004 for a no-cost time extension. The vote was unanimous. (4-0)

5. SOUTHERN CALIFORNIA EDISON (SCE). Possible approval of Contract 500-03-001 for \$964,074 (PIER funded) to develop and demonstrate a portable, lightweight, digital, automated system for the accurate control and monitoring of oxygen transfer efficiency in the wastewater treatment industry.

Commissioner Pernell moved and Commissioner Boyd seconded approval of the Contract 500-03-001 for \$964,074 (PIER funded). The vote was unanimous. (4-0)

6. SOUTHERN CALIFORNIA EDISON (SCE). Possible approval of Contract 500-03-002 for \$2,040,924 (PIER funded) to develop and facilitate market availability of cost-effective package and split-system air conditioners, which are designed for hot and dry climates.

Commissioner Pernell moved and Commissioner Geesman seconded approval of the Contract 500-03-002 for \$2,040,924 (PIER funded). The vote was unanimous. (4-0)

7. CALPINE CORPORATION. Possible approval to move the project drilling site under an existing agreement (GEO-02-004) with Calpine Corporation, from the Pumice Mine area of the Glass Mountain Known Geothermal Resource Area (KGRA) to the Telephone Flat area within the same KGRA, approximately three miles away.

Commissioner Geesman moved and Commissioner Pernell seconded approval to move the project drilling site under an existing agreement (GEO-02-004) with Calpine Corporation. The vote was unanimous. (4-0)

8. EAST ALTAMONT ENERGY CENTER. Consideration and possible approval of the Revised Presiding Member's Proposed Decision (RPMPD) on the Application for Certification – East Altamont Energy Center, Docket No. 01-AFC-4.

Commissioner Geesman moved and Commissioner Boyd seconded approval of the committee's decision to deny CARE/M.Boyd's demand to correct past and ongoing violations of the Bagley-Keene Open Meeting Act and related matters. The vote was unanimous. (4-0)

Commissioner Geesman moved and Commissioner Boyd seconded approval of the committee's decision to deny Bob Sarvey's motion to postpone decision on the EAEC RPMPD. The vote was unanimous. (4-0)

Commissioner Geesman moved and Commissioner Boyd seconded approval of the Presiding Members Proposed Decision that the project will comply with all laws, ordinances, regulations, and standards. The vote was unanimous. (4-0)

Commissioner Pernell moved and Commissioner Boyd seconded approval of the Revised Presiding Member's Proposed Decision (RPMPD) on the Application for Certification – East Altamont Energy Center. The vote was unanimous. (4-0)

9. Minutes

There was an amendment to the August 6, 2003 business meeting minutes. Commissioner Boyd left after item # 2, not after consent items as stated in the minutes. Commissioner Boyd moved and Commissioner Geesman seconded approval of the amended August 6, 2003 business meeting minutes. The vote was unanimous. (4-0)

10. Commission Committee and Oversight

No report was given.

11. Chief Counsel's Report

Jennifer Tachera passed out the August Chief Counsel's Report on interventions before the PUC and FERC. She explained the legal office is working with the PUC on procurement proceedings and that opening briefs are due September 12th; reply briefs are due September 19th. Staff has a September 23rd deadline to PUC for the 2004-2005 energy proposal solicitation. Also, she stated that they are waiting for a decision to be made about the Diablo Canyon independent safety committee in PG&E's rate case.

12. Executive Director's Report

Bob Therkelsen first thanked Bill Taylor for getting the microphones fixed and then requested a meeting with the Commissioners after the business meeting to discuss the work plans.

13. Public Adviser's Report

No report was given.

14. Public Comment

No comments were received.

The meeting was adjourned at 11:52 a.m.

BETTY A. McCANN
Secretary to the Commission